

Iowa Department of Natural Resources
Natural Resource Commission, January 11, 2001, Wallace Building.

ITEM ☐ DECISION ☐

TOPIC ☐ Destination State Park Feasibility Study, Approval of Plans and
Recommendations ☐

On December 7, 2000, the Natural Resource Commission was provided an informational item which delineated general concept master plans for destination state park developments at Brushy Creek State Recreation Area and Rathbun Lake/Honey Creek State Park. Information summarized in this item is primarily new information felt to be important as the NRC considers a decision on approving the recommendations of the Shive-Hattery final report.

Since that informational item was presented, two public meetings have been conducted, one in Ft. Dodge to provide local interested individuals and groups with an opportunity to review and comment on plans for the Brushy Creek site, and one in Centerville to allow local interested parties to review and comment on plans for the Rathbun/Honey Creek Site. Both meetings were well-attended. In Ft. Dodge on December 14, approximately 110 people attended, with most expressing strong apprehensions about the impact of destination park developments at Brushy Creek. Most attendees were hunters, dog trainers and others who enjoy the site as it is today, and who feel that even modest developments beyond those already envisioned in the existing master plan will lead to additional public use pressures that could ultimately result in closure of the area to public hunting and shooting.

Attendance at the Centerville meeting on December 19, was very high. Nearly 500 attended the workshop, with virtually 100 percent support for proposed destination state park development on the Rathbun site.

Proposed long-range concept plans remain unchanged from the December 7, 2000 informational item presented to the NRC. In the short to mid-term, it is recommended that the lodge at Brushy Creek be placed in a lower priority status than that at Rathbun/Honey Creek. This results from three factors: (1) Opposition from some local interests to pursuing this type of development on the Brushy Creek site; (2) Perception on the part of consultants that Brushy Creek does not provide the same level of attraction and would not draw users from as large an area as would the Rathbun/Honey Creek site; and (3) Magnitude of cost of this feature and the practicality of funding more than one such facility at a time.

New information included in this item can be categorized under four main topics: (1) Market Analyses for destination state parks at Brushy Creek and Rathbun; (2) Proposed conceptual break-out of public and private sector costs; (3) Proposed phasing of major development components at Rathbun and Brushy Creek sites; and (4) Other recommendations of the consultants.

I. Market Analyses---Detailed analyses of the markets and likely demand/use of a destination park facility are provided for each of the two sites. Market area for the Rathbun site is considerably larger in light of the much larger lake and more diverse recreational opportunities provided at or near the site. The bottom line, as quoted from the report is that “there is sufficient potential market support for new accommodations development at both sites.” The report recommends that “After an initial phase of development, the potential and advisability of future expansion can be evaluated” and that “as with all development, the success of the project will be dependent on the quality of the planning, design and construction of the destination state park improvements, and the proper pricing, marketing and operation of the facility.”

II. Investments, Public and Private---At early planning stages, it is not possible to precisely establish total costs and to ascribe those costs to public and private sectors. However, it is important to establish broad options or scenarios on which to make judgements as to affordability and practicality of implementing destination state park plans. Portions of a destination state park lend themselves to private investment; other portions appear to be logical responsibilities for the State. In the case of the Rathbun/Honey Creek Proposal, there is a good potential for assistance from federal funding sources through the US Army Corps of Engineers’ Demonstration Lakes Program.

The consultants’ report provides a “menu” of likely or logical developments associated with a destination state park and provides “high-end” and “low-end” cost estimates. For example, a 100-unit lodge facility at Rathbun is bracketed between \$6 million and \$10 million dollars (see Table 27). This particular element of the concept plan is viewed as having high potential for private investment. The same can be said of the proposed 18-hole golf course estimated to cost between \$6 million and \$9 million. For all facilities, including extensive “horizontal infrastructure” such as roads, water, electricity, sewer, etc., the cost for the Rathbun/Honey Creek development is estimated to cost between \$52 million and \$83 million. Assigning the lodge, cabins, conference center, restaurant, stable and golf course to private investments, reduces public financing by approximately 44%. For purposes of estimating public and private funding and for projecting annual public funding commitments needed to implement the Rathbun/Honey Creek Park, it seems reasonable at this time to assume a 50/50 split. Thus, over a 5-year development schedule this amounts to \$5.2 to \$8.5 million annually. A portion of this total may be picked up by the US Army Corps of Engineers under their Lake Demonstration Program. Table 26 of the consultant’s report provides a similar array of bracketed estimates and apportionments to public and private funding sources for the Brushy Creek Proposal. A key recommendation of this report is that ‘development of the Brushy Creek site proceed in accord with the DNR’s current, approved master plan with the exception of added cabin developments. The lodge, while still left in the menu of project inclusions should await completion of the remainder of area facilities as currently planned and budgeted. The consultants suggest taking a conservative approach regarding the lodge in that the area and its comparatively small (690-acre) lake may not provide a sufficient attraction to warrant full development as a destination state park until Brushy Creek is more fully developed. Secondly, it is apparent that significant local opposition exists for moving

forward with development of a lodge due to apprehension that some existing area users (primarily hunters and shooters) will ultimately lose their recreational opportunities on the site as other uses increase. It is the staffs feeling that this fear is unjustified and that development as a destination state park could and should be controlled so as to allow for continued, diverse, multiple use of most of the 6,500-acre site by these users. Destination park developments as contained in the consultant's report occupy only about two percent (**130** acres) of the 6,500-acre recreation area.

It is recommended that lodge development at Brushy Creek SRA be placed in a latter and optional phase. Further, it is recommended that cabin development at Brushy Creek as contained in the existing master plan be expanded and accelerated. Current master plans call for eight family cabins (2-bedroom, year-round use) and eight camper cabins (one-room cabins with electricity which share shower/restroom facilities with campers). In order to provide for a greater number of family vacation opportunities, it is recommended that cabin development be expanded to include: One multi-family or large group cabin with four bedrooms, two baths, sleeping 12-16, with a large kitchen and "commons" area. Current estimated cost for this group camp lodge would be \$160,000. Two-bedroom family cabins would be increased from eight to twenty, with each costing approximately \$80,000. Camper cabins would be increased from eight to ten, with each costing \$12,000. The increased cost for the expanded cabin development is approximately \$1,160,000. Expressions of interest from the private sector in building and managing cabins should be sought.

III. Proposed Phasing-Major decisions are required to lay the plans for implementing the Rathbun/Honey Creek Destination Park. The 800+ acres involved is undeveloped at this time; and significant amounts of engineering, design and construction of basic "horizontal infrastructure" must be accomplished prior to development of public use facilities. These are viewed as logical responsibilities of the State of Iowa and include: roads, sewer and water, and electricity. Additional resource studies may also be required, including environmental assessments, archaeological surveys, etc.

The Shive-Hattery report pegs costs for horizontal infrastructure development at \$12.8 to \$16.9 million. This includes the costly, but recommended, vehicular/trail bridge linking the destination park area to 800-acre Honey Creek State Park (estimated to cost between \$5 and \$7 million). Public investment in the park is clearly front-loaded in the first few years as would be anticipated with an undeveloped tract .of land. Clearly private investment opportunities and attraction are significantly enhanced when these basic support features are in place.

IV. Other recommendations. The Shive-Hattery report recommends "parallel development in multiple sites" (Brushy Creek and Rathbun/Honey Creek). Assuming there is concurrence by the NRC and support for continued planning and development from the Governor's office and the Iowa Legislature, there are many elements to pursue. There have been indications of private investment interest, particularly at the Rathbun/Honey Creek site. Those interests need to be more purposefully developed and quantified. Detailed planning and design work at Rathbun must be completed to provide both development details and cooperative ventures between the DNR, the US Army Corps of Engineers, local utilities, and numerous private sector interests. Specific options for proceeding will hinge upon expressions of interest from all these parties. If commitments

and expressions of interest are not forthcoming, major decisions on willingness of the State of Iowa to pursue all or parts of planned developments must be examined.

Staff recommends that the Natural Resource Commission approve the final report and its recommendations and authorize transmittal of copies to the Governor and members of the Iowa Legislature.

Steve Pennington
Interim Division Administrator
Parks, Recreation and Preserves

Attachment: Destination State Park Feasibility Study Report, with Executive Summary

January 2, 2001